



Lexington-Fayette Urban County Government
DIVISION OF HUMAN RESOURCES – PAYROLL AND BENEFITS SECTION
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BENEFITS

VOLUNTARY FLEXIBLE SPENDING ACCOUNT:

The Urban County Government provides each classified/unclassified Civil Service, full-time employee with a "benefit pool" of \$355.74 monthly to use toward the purchase of basic benefits of health, life, dental and vision insurance. If there is any pool money remaining after the purchase of those benefits, the employee may use that money, in whole or part, toward the purchase of other benefits offered. If the pool money is not used, the employee does **not** receive it in pay. During their eligibility period employees may opt out of the health and life insurance by showing proof of other comparable coverage, therefore freeing additional pool money for use in other benefits.

1. HEALTH INSURANCE:

PLEASE NOTE: ALL LFUCG health plans have a three-tier pharmacy co-payment schedule; \$10.00 for generic, \$20.00 for brand name and \$40.00 for brand name non-formulary drugs. EHS is our pharmacy benefit manager. Employees will receive a card from EHS to use to purchase prescriptions.

- **Preferred Provider Organization Plans**

Aetna Low Option

This plan of coverage offered by Aetna has "in-network" benefits and "out-of-network" benefits. In-network benefits are provided with participating doctors and hospitals only and have a \$30.00 office visit co-payment for physician office visits. Inpatient and outpatient hospitalization is paid at 70% after the employee meets a \$400.00 (or \$800.00 per family) deductible. Non-participating doctors provide out-of-network benefits. Office visits, regardless of type of doctor, are covered at 50% after meeting the deductible of \$800 single or \$1600 family. Non-participating hospitalization is covered at 50% after deductible.

Aetna High Option

This type of coverage offered by Aetna has "in-network" benefits and "out-of-network" benefits. In-network benefits are provided with participating doctors and hospitals only and have a \$20.00 office visit co-payment for physician office visits. Inpatient hospitalization is \$500 per admission and outpatient hospitalization is \$50 per visit. Non-participating doctors provide out-of-network benefits. Office visits, regardless of type of doctor, are covered at 60% of cost

after the employee meets a \$600.00 single (or \$1200.00 per family) deductible. Non-participating hospitalization is covered at 60% after deductible.

Humana Health Care Plan

This type of coverage offered by Humana has "in-network" benefits and "out-of-network" benefits. In-network benefits are provided with participating doctors and hospitals only and have a \$20.00 office visit co-payment for physician office visits. Inpatient hospitalization is \$500 per admission and outpatient hospitalization is covered at 100%. There is a \$300 single deductible or \$600 family deductible. Non-participating doctors provide out-of-network benefits. Office visits, regardless of type of doctor, are covered at 60% after meeting a deductible of \$600 single or \$1200 family. Non-participating hospitalization is covered at 60% after deductible.

- **Health Maintenance Organization Plan (HMO)**

Employees may elect health maintenance organization (HMO) coverage with Humana Health Care Plan, Inc. This type of coverage requires the use of medical providers who participate in the plan. There is an office visit co-payment of \$20.00. Inpatient hospitalization is \$500 per admission and outpatient hospitalization is covered at 100%.

2. DENTAL INSURANCE:

- **Delta Premier**

The plan currently pays 100% of the Usual, Customary, and Reasonable (UCR) costs for all covered services of preventive and diagnostic procedures, basic, extended and prosthetic services.

There is a \$25.00 single and \$75.00 dependent/family deductible for covered dental expenses incurred for basic, extended and prosthetic services during each benefit period and is paid by the employee. (A benefit period is defined as twelve (12) calendar months, beginning on January 1 of each calendar year.) The maximum benefits payable for all dental services incurred by any one member of the dental plan is \$1,000.00 during a benefit period, after payment of the deductible shown above.

- **Delta Preferred**

Delta Preferred is a Dental HMO plan that requires the use of participating dentists. It contains varying co-payments for each dental service provided, both in and out of network. The maximum benefits payable for all dental services incurred by any one member of the dental plan is \$1,000.00 during a benefit period.

3. VISION CARE:

Cole Managed Vision is a Comprehensive Vision Care Plan. There is a \$5.00 co-pay for an examination - one examination each 12 months at participating providers. There is a \$5.00 co-pay with an allowance up to \$90.00 given on frames and a \$5.00 co-pay with an allowance of \$105 on contact lenses. There is a \$5.00 co-pay on eyeglass lenses. Other out-of-network benefits are available at an additional cost.

4. LIFE INSURANCE:

Term Life

The Urban County Government offers \$7,500.00 of term life insurance for new, permanent, full-time employees, at a monthly cost of \$1.35 per month. This basic insurance may be combined with optional insurance in multiples of the employee's annual salary. This optional coverage is available as one times (1x) up to three times (3x) the employee's annual salary and costs are based on the employee's age. Dependent life insurance is also available for spouse and children, in various amounts of coverage.

5. THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1986 (COBRA):

This law provides that terminated employees and dependents may obtain extended Health, Dental, and Vision insurance coverage up to 18 months. The act also provides for coverage of spouse and dependents of an employee when death, legal separation or divorce occurs for up to 36 months.

6. FLEXIBLE SPENDING ACCOUNT PROGRAM:

This program allows eligible employees to tax shelter their insurance premiums, which reduces the total amount of the employee's salary being taxed. This program also gives the employee the opportunity to pay dependent care (day care) and unreimbursed medical expenses from pre-tax dollars. This program is administered by Lifeline Services, Inc. and is offered at no cost to employees.

7. RETIREMENT:

All full-time civil and non-civil service employees (excluding Sworn Fire and Police personnel) must be enrolled into the state County Employees Retirement System (CERS) upon six (6) months of employment. The employee contributes 5% of his/her gross wages and the Urban County Government contributes 8.48%. The Urban County Government contributions will increase to 10.98% July 1, 2005. The employee's portion, plus a small interest, may be refunded if employment with the Urban County Government is ended.

8. UNIVERSAL LIFE INSURANCE:

Details and information concerning the plan will be furnished during the New Employee Orientation.

9. ADDITIONAL PLANS:

Colonial Life and Accident, in conjunction with the Urban County Government, offers the following plans:

- ♦Long Term Disability
- ♦Short Term Disability
- ♦Dread Disease Insurance
- ♦Intensive Care Insurance
- ♦Elder Care Insurance

A Colonial representative explains these plans in more detail upon employment.

Liberty Mutual Company offers the following plans through payroll deductions, after the employee meets with their representative.

- ♦Property and Casualty Insurance

10. VACATION LEAVE:

All full-time employees accumulate vacation leave at the rate of ten (10) hours (Sworn Fire accumulates 14 hours) per full calendar month of work. Employees with more than ten (10) years of service accumulate vacation leave at the rate of fourteen (14) hours (Sworn Fire 18 hours) per full calendar month of work. However, no employee may carry over more than 168 hours (Sworn Fire 216 hours) from one calendar year to the next. Vacation leave is accrued during the probation period but may not be utilized.

11. SICK LEAVE:

All full-time employees accumulate sick leave at the rate of ten (10) hours (Sworn Fire personnel accumulate 14 hours) per full calendar month of work. At the end of each calendar year, any sick leave accumulated in excess of 600 hours (840 hours for Fire) is paid to the employee at their current hourly rate.

12. HOLIDAYS:

By Ordinance there are nine and one-half (9½) paid holidays with (2) additional swing holidays. All employees accumulate eight (8) hours (12 for Fire, 6 hours for the ½ day) of holiday time per holiday. However, no employee may carry over more than 80 hours (112 for Fire) of holiday time into the next fiscal year (July 1 of each calendar year).

13. PAY INCREASE:

The rate of pay upon initial employment with the Lexington-Fayette Urban County Government is normally the minimum of the salary range for that position. An employee may be hired at a rate of pay above the minimum when it is found to be difficult to recruit qualified persons or in recognition of the exceptional qualifications of a candidate.

14. CREDIT UNION:

The Metro Employee's Credit Union has two offices; one located in the Clark Street Annex at 240 Clark Street and the other in the Phoenix Building. Business hours are 7:30 A.M. to 3:30 P.M. Monday through Friday. Any employee can arrange automatic savings through payroll deduction, which earns interest quarterly. However, loans may only be approved for permanent (not probationary) employees. Also, direct deposit of the employee's payroll checks for share draft checking account is available. Questions may be directed to the Credit Union office at 258-3990.

15. UNITED STATES SAVINGS BONDS:

Employees may request payroll deductions for automatic purchase of United States Savings Bonds by submitting a completed authorization form to the Division of Human Resources - Benefits Section.

16. DEFERRED COMPENSATION PLANS:

- **457 Deferred Compensation - ICMA**

Full-time employees are provided the opportunity to participate in a Deferred Compensation Program through the Lexington-Fayette Urban County Government with the International City Management Association-Retirement Corporation (ICMA-RC). Present federal legislation (Section 457 of the Internal Revenue Code) allows an employee to place, via payroll deduction, a portion of their income in an interest-bearing account before taxes. The positive aspect of deferred compensation is that each calendar year the individual can place any amount desired, up to \$14,000 of their annual salary in an account and not pay federal or state taxes on the amount deferred or the interest gained until it is withdrawn. However, a withdrawal request by an individual from their deferred compensation account must be made in writing and approved by Human Resources. A withdrawal request is strictly regulated and can only be approved upon retirement, termination of employment with the Urban County Government, by meeting the requirements established for an emergency withdrawal, death or disability. Those full-time employees interested in setting up an account with the Deferred Compensation Program can do so by completing an enrollment form, which can be obtained in the Division of Human Resources - Benefits Section.

- **401K/457 Deferred Compensation– Kentucky Deferred Comp. Program**

Full-time employees are provided the opportunity to participate in a Deferred Compensation Program through the Lexington-Fayette Urban County Government with Kentucky Deferred Compensation Program. Present federal legislation (Section 401K of the Internal Revenue Code) allows an employee to place, via payroll deduction, a portion of their income in an interest-bearing account before taxes. The positive aspect of deferred compensation is that each calendar year the individual can place any amount desired, up to \$14,000 of their annual salary in an account and not pay federal or state taxes on the amount deferred or the interest gained until it is withdrawn. Those employees interested in setting up an account with this Deferred Compensation Program can do so by completing an enrollment form, which can be obtained in the Division of Human Resources - Benefits Section.

17. KENTUCKY EDUCATION SAVINGS PLAN TRUST

Through payroll deductions, employees may make contributions to accounts set up in a child's name to use for the child's higher education expenses; college, vocational and technical schools. These accumulated funds grow in your choice of two investment funds. More detailed information on these funds and their tax status is available in the Benefits Office.

18. WELLNESS PROGRAM

Employees and their dependents may join the YMCA at significantly reduced rates. Full details concerning this Program will be furnished during the New Employee Orientation.